Effect of Risk Review on the Performance of Manufacturing Companies in North-Central Nigeria

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Abstract
This article is carried out to ascertain the effect of Risk Review on the performance of Manufacturing companies in North-Central Nigeria. Risk review was used as the independent variable while performance of selected manufacturing companies was employed as the dependent variable. Survey research methodology was adopted, correlation and Anova were used as estimation techniques to ascertain the relationship between the dependent and independent variable. Findings from the study revealed that risk review has positive and significant effect on the performance of selected manufacturing companies in North-central Nigeria. This means that an increase in the organization's risk review will lead to an increase in its performance. Hence, the study recommends that; setting up strong measures to review risk and performance of risk mitigating factors, pursuing improvement in enterprise risk management in the organization by updating the various components, assessing substantial changes in the organization as a result of risk assessment and reviewing risk policies and strategies to fit in the current status of risk management should be a common practice to the organizations.

Keywords: *Risk review, performance, manufacturing companies, North-central, Nigeria, risk assessment*

Introduction

Risk management is an uninterrupted, progressive process that is an important part of business and technical management processes. (Mariana & Fiany, 2020). Frameworks for risk management systems have been developed and tested by different institutions such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The "sponsoring organizations" behind COSO are five professional associations that support risk management disciplines. They are: American Institute of Certified Public Accountants (AICPA), The National Association of Accountants, now called the Institute of Management Accountants (IMA), American Accounting Association (AAA), The Institute of Internal Auditors (IIA), and Financial Executives International (FEI). The COSO ERM framework is designed to offer organizations a commonly accepted model for evaluating risk management efforts, the framework expands on internal control concepts by providing a more robust focus based on the ERM. The framework concentrates on eight interrelated components as internal environment, objective setting, event identification, risk assessment, risk response, control activities, information and communication, and monitoring (COSO, 2004). The committee also developed an updated model that comprises of five components of which are: Governance and culture, strategy and objective setting, performance and risk assessment, review and revision and communication and reporting (COSO 2017).

Based on the discussion of Silva, Silva and Chan (2019), the institutions in developing countries such as manufacturing companies, are faced with much more uncertainty, risks, and challenges that influence their performance compared to that of developed countries. Manufacturing companies in Nigeria, especially in the North central are not left out of these risks. Their ability or inability to manage the various risks that affect them as an enterprise might or might not be the reason for their performance.

Based on the discussion of Silva, Silva and Chan (2019), the institutions in developing countries are faced with much more uncertainty, risks, and challenges that influence their performance compared to developed countries. Therefore, developing countries often need a more robust risk management system for a better organization function.

Manufacturing institutions in the North central of Nigeria are faced with many risks, similar to those from other part of the country. Particularly, the region has been faced with high level of insecurity from herdsmen in Plateau and Benue states to kidnapping and insecure transportation across the region. Also, the region is associated with poor development especially in the aspect of infrastructure and basic amenities. This invariably affects the flow of business, specifically the flow of raw materials and personnel to the plants and the distribution of finished goods to the distribution houses. Given these common and specific risks, enterprise risk management is an essential feature for the success of these organizations. Despite the presence of risk management practices, most manufacturing firms in North-Central Nigeria have been observed to not been optimum in performance. Consequently, evaluating the effect of ERM on performance of manufacturing firms in North-Central Nigeria could be helpful in finding a lasting solution to the existing problem.

Most studies on ERM such as (Senol and Karaka, 2017; Folake and Moruff, 2019) have been based on finding the effect of ERM on the financial performance of firms. Studies such as (Altanashat, Dubai, & Alhety, 2019; Teoh, Lee, & Muthuveloo, 2017) had chosen to measure ERM by constructing questionnaire-based proxy, on the eight (8) ERM functions using the COSO 2004 framework. Few works have tried to identify the effect of ERM on the Non-financial aspect of performance using the five components as presented by COSO 2017. Also, studies on risk management are based on financial institutions around the country, very few to the knowledge of the research have studied the effect of ERM on the non-financial performance of manufacturing companies in North-Central Nigeria using the COSO 2017 framework. This study therefore measures the effect of ERM on the non-financial performance of selected manufacturing companies in North central Nigeria, using the variables of the COSO 2017 ERM model.

Objective of the study

The main objective of this study is to examine the effect of Risk Review on the performance of Manufacturing companies in North-Central Nigeria.

Research Hypothesis

Ho1: Risk Review and revision has no effect on the performance of manufacturing companies in North-Central Nigeria.

Conceptual Review

Enterprise Risk Management

Enterprise Risk Management is an evaluation, quantification, financing, and risk management at the company level. It is a holistic approach for managing risk, so it can also create value for companies (Nocco & Stulz, 2016). That brings to limelight the definition by Zuo, Isa and Rahman (2017) that ERM requires a company-wide perspective to be taken in identifying, assessing, and managing risk instead of the traditional "silo" based approach to managing risk Notwithstanding, ERM had been measured from different perspectives.

Firstly, ERM had been measured using dummy variable, which allowed researchers assign I when it is perceived to have adopted or implemented ERM otherwise 0, and the implementation, adoption or presence of ERM is indicated by searching for key-terms like, "strategic risk management", "corporate risk management", "consolidated risk management", "holistic risk management", "integrated risk management", "risk management committee", "risk committee", and "chief risk officer" (Abdullah et al, 2017; Anton, 2018; Florio & Leoni, 2017; Husaini & Saiful, 2017). Secondly, the other researchers (Alawattegama, 2018; Altanashat, Dubai, & Alhety, 2019; Teoh, Lee, & Muthuveloo, 2017) had chosen to measure ERM by constructing questionnaire based proxy on the eight (8) ERM functions (Internal Environment, Risk Identification, Objective Setting, Risk Assessment, Risk Response, Control Activities, Information & Communication, and Monitoring) as contained in the COSO (2004) integrated framework. Thirdly, some more authors (Gordon, Loeb, & Tseng, 2009; Ramlee & Ahmad, 2015; Tseng, 2007; Zuo, Isa, & Rahman, 2017) proxy ERM on the bases of the COSO (2004) four (4) basic objectives of ERM which include Strategy, Operation, Reporting and Compliance. This study shall measure ERM based on the components of the latest COSO 2017 ERM framework which includes: culture, risk assessment, review and communication.

Risk review

By reviewing entity performance, an organization can consider how well the enterprise risk management components are functioning over time and in light of substantial changes, and what revisions are needed. According to Sam et al (2019), risk review is a process used to examine and document the effectiveness of risk responses in dealing with overall project risk and with identified individual project risks. Risk reviews, as the name shows, are periodic and regular reviews of project related risks and the planned risk responses (Wesley 2017). The effectiveness of risk responses must be documented for further reviews.

According to Samimi (2020), a project's view of risk management (as a process with a start and end time) is not correct and the cyclical nature of this process indicates that this process is not a step and the nature of continuous improvement in it. In fact, the introduced activities must be repeated in the specified time intervals and the results and experiences obtained from each iteration step be used as input and feedback in the new step. The intervals for risk review should also be performed according to the conditions of the organization and within the maximum intervals of one year.

In the views of Bell (2019), risk review should be conducted at regular intervals throughout the project to assess the current project environment to determine if any changes are needed to manage future risks. Changes are part of all projects. The Risk Review is a means to recognize shifts within a project environment and adjust risk management plans to benefit or protect the project from changes.

Growth

Starbuck (2019) defines growth as change in an organization's size when size is measured by the organization's membership or employment, and it defines development as change in an organization's age. Growth has to do with the increase in size of facilities, number of employees and customers (Bones 2018). Bass (2020) sees business growth to means an increase in the size or scale of operations of a firm usually accompanied by increase in its resources and output.

Generally, the term ‘business growth’ is used to refer to various things such as increase in the total sales volume per annum, an increase in the production capacity, increase in employment, an increase in production volume , an increase in the use of raw material and power (Twalambani & Arahyel 2015). The study uses growth as a measure of performance.

Non-financial performance

Wang (2019) viewed performance as product accomplishments, results and achievements in an organization. Williams and Andersons (2019) performance as employee’s achievement level in his/her responsibility and duties assigned in the workplace. Understanding determinant factors of MSMEs performance are viewed an important area of focus in Enterprises (Rosli, 2017).

Therefore, a good measurement of organizational performance must be able to consider the goal of the owner designed to promote the business such as MSMEs in the areas of some specific results as output and profitability (Marr & Schiuma, 2016). In the same view, organizational performance can also be used to view how an enterprise is doing in terms of level of profit, market share and product quality. Accordingly, it reflects output of members of an enterprise measured in terms of revenue, profit, growth, development and expansion of the organization (Abasilim, 2014). Performance has been a central concern or issue of researchers and organizations. Thus, several organization studied in the literature have focused on the reason why some firms perform better than the others. However, scholars in this field have proposed several definitions. This means that performance is not without meaning.

Although, a study of Amos et al., (2014) pointed out that organization performance cannot be left in anticipation that will develop naturally, despite the employee’s natural desire to perform and be rewarded for it. This desire needs to be accommodated, adapted, and nurtured. Meanwhile, researchers have different believes that most agreed that no single measure exists for organizational performance (Amos et al., 2014). Anastasia (2018) viewed that organizational performance construct can be measured by effectiveness, efficiency, satisfaction and innovation of the product. Apolot (2017) demanded organizational assessments of performance in sales growth, customer satisfaction and profitability were measure in their businesses. Meanwhile, influence on organizations performance can be obtained by giving a consideration and intellectual excitement for 19 individual and charisma which will be able to make changes to better direction, for example by giving training, counselling, sustaining the frequency of interaction in order to achieve a certain goal (Thamrin 2012).

Omar and Zineb (2019) further identified some performance measurements as combinations of indicators like operating efficiency; return on assets; market share; market performance (as a measure of customer knowledge); trend performance (or periodic measurements of firm performance); relative performance (as a relative measure to industry performance); system performance (which could be market or production) sales revenue; profitability; employee satisfaction; service quality; customer satisfaction, and strategic marketing performance. Other non-financial measure of performance such as increase in customer base, market share increase, quality service delivery and increase in firm branch networks (Schonberger, 2007).

Empirical Review

Parvaneh, et al, (2020) using the theoretical lens explored the effect of enterprise risk management (ERM) on both financial and non-financial firm performance and the moderating role of intellectual capital (IC) and its dimensions on the relationship between ERM and firm performance. To test the study hypotheses, a questionnaire survey was distributed to 84 Iranian Non-financial institutions. Structural equation modeling (PLS software) was used to analyze the data statistically. The findings revealed that ERM had a positive relationship with firms' performance. The results also showed that the overall IC had a moderating effect on ERM-firm financial performance. However, regarding components of IC, knowledge, and information technology (IT) had a positive and significant moderating effect while training, organizational culture, and trust did not affect. The study failed to indicate the parameter used to measure ERM and performance.

Omar et al (2020) investigated the diverse effects of enterprise risk management (ERM) on organizational performance in the United Arab Emirates small and medium-sized enterprises (SMEs). A questionnaire was used to gather data from 323 respondents operating in United Arab Emirates' emerging market. The proposed study's hypotheses are tested through multiple regression techniques. The reliability study of the descriptive and inferential statistical study, T-Distribution, F-Test, Variance Inflation Factor, Durbin-Watson Test assess suitability, significance, and degree of error between enterprise risk management against organizational performance. The regression and Correlation test revealed the effect of risk management including knowledge sharing, organizational culture and enterprise risk management on organizational performance. ANOVA test also used to measure the disparity between knowledge sharing and performance in the organization. Also, R-square tests to assess the degree of organizational culture prediction over organizational performance. Results show a substantial positive effect between knowledge sharing, organizational culture, and enterprise risk management.

Receeba (2020) examined enterprise risk management and its effect on the Growth of manufacturing firms in Lesotho. Primary data was collected through the use of questionnaire from a sample of 75 manufacturing companies. Responses from 578 respondents were analysed using the multiple regression. The studies revealed that risk review and risk assessments have significant and positive effect on the performance of manufacturing companies in Lesotho.

Abeyrathna and Lakshan (2021) in their study empirically verified whether the adoption of ERM has an impact on firm performance and uses both primary and the secondary data relating to the Sri Lankan insurance companies. 230 executive level employees from 26 Sri Lankan insurance companies have been selected as the sample of this study using stratified random sampling technique and primary data were collected using a structured questionnaire. Return on Assets

(ROA) and Tobin's Q are used as proxies to measure the firm performance and ERM practices have been measured based on the guidelines of COSO ERM framework. Descriptive statistics, Correlation analysis and regression analysis are used to analyze data. Results of the mean testing reveals that three components of COSO ERM framework namely, Internal Environment, Objective setting and Risk Assessment indicate a high level of practice. Further, correlation analysis indicates two independent variables namely, control environment and Information & communication have a significant relationship with ROA. At the same time, two independent variables namely, objective setting and Information & communication have a significant relationship with Tobin's Q. Hypotheses testing identified that Control activities; Information & communication and monitoring are the most crucial variables which have a positive impact on the performance of the insurance industry. These results indicate that, even though the level of implementation of ERM practices in Sri Lankan insurance industry is moderate / high levels, the other than Control activities, Information & communication and monitoring all other five components are not showing significant impact towards the performance. It implies that the expected value addition from the ERM practices have not been achieved by the Sri Lankan insurance companies yet.

González et al (2020) evaluated the effect of Enterprise Risk Management (ERM) on the performance and the financial stability of a sample of non-financial Spanish listed companies. The information about ERM is taken from the annual reports, management reports and annual corporate governance reports disseminated over four years (2012−2015). The data on performance and financial stability have been obtained through the SABI (Iberian Balance Sheet Analysis System) and Morningstar Direct. The results obtained show that the adoption of ERM is not associated with a change in the performance of Spanish companies (measured through the return on equity, return on assets and Tobin's Q) nor does it reduce the probability of bankruptcy. Having a chief risk officer (CRO) can actually reduce performance, although it can improve the degree of financial health measured as the distance to default. Regarding the relationship between the hedging of risks on the profitability and the level of risk, we find evidence of improvement through the hedging of exchange risk.

Theoretical Framework

This study is anchored on Agency Theory.

Agency theory

Agency theory was developed by Jensen and Meckling (1976). Agency theory extends the study of the firm to include division of ownership and control and managerial motivation. Management attitudes towards risk-taking and hedging have been shown to impact corporate risk management agency problems (Smith & Stulz, 1985). This theory identifies a possible mismatch of interest between shareholders, management and debt holders due to earnings distribution asymmetries, resulting in the business taking too much risk or not engaging in a positive net value project. Agency theory states a working relationship between the party giving the authority (principal) and the party receiving the authority (agent) in the form of a cooperation contract created because of conflicting interests. What is meant by a principal in agency theory is the owner of the company or shareholders. What is meant by the agent is management, who is obliged to manage the owner's assets. There is a difference in interests between the principal and agent, which creates a conflict of information asymmetry. This conflict arises because of the desire of managers to maximize their level of satisfaction. And on the other hand, shareholders want to maximize their profits; conflict arises if managers' decisions to maximize their satisfaction are not in the welfare of shareholders. The use of derivatives is motivated by competing interests in the organizational relationship between managers and shareholders. Most senior managers have a highly undiversified Non-financial status because they receive significant profits from their jobs (monetary and non-monetary). Risk aversion causes managers to deviate from acting purely in the best interest of shareholders by expending resources to hedge diversifiable risk, Managers and shareholders' time horizons can also vary because management compensation is related to short-term accounting steps. Via corporate risk management, these conflicts of interest may be mitigated if compensation systems properly relate managers' salaries to the firm's stock price. This means that a determinant of corporate hedging in a corporation could be the use of stock options contracts. Executive stock options will effectively minimize the risk aversion of a manager and lower the tendency to decrease idiosyncratic risk utilizing derivatives.

Model Specifications

The study uses ERM indicants such as Risk. The dependent variable is performance which is non-financial and measured using growth. simple regression models, the regression model is stated as:

$Y= a + bx$ - - - - - - 1

Where y is the dependent variable

a is constant or intercept

b is the coefficient

x is the independent variable

However, the above model is expanded to:

$Y = \alpha + \beta_1X + \beta_2X+ \beta_3X + \beta_4X + \mu$ - - - - - 2

The formula is substituted with the variables and presented as follows;

$PFM= \alpha +\beta_1RAS + \mu$ - - - 3

Where:

PFM = Performance (Growth)

RRE = Risk Review

α =Intercept or Constant

β = Slope of the regression line with respect to the independent variables

μ = error term

Data Presentation

The data gotten from the respondents are presented in tabular form to summarize and compare.

Table 1. Demographic Distribution of the respondents based on gender.

OPTIONS	NUMBER	PERCENTAGE %
MALE	219	65.2
FEMALE	117	34.8
TOTAL	**336**	**100**

Source: Researcher's survey

Table 1. describes the gender of the respondents used to carry out the research from all the eight (8) companies. The result shows that out of three hundred and thirty-six (336) respondents, two hundred and nineteen (219) representing (65.2%) were male. It also shows that one hundred and

seventeen (117) of the total respondents representing (34.8%) were female. This implies that male respondents constitute the highest responses.

Table 2. Demographic Distribution of the respondents based on period of employment and service.

OPTIONS	NUMBER	PERCENTAGE %
Less than a year	78	23.2
1 to 5 years	134	39.9
Over 5 years	124	36.9
Total	**336**	**100**

Source: Researcher's survey

Table 2 presents data from the respondents as regards to their period of employment or service in their various organizations. The data shows that; out of a total of three hundred and thirty six (338), seventy eight (78) respondents, representing (23.2%) have spent less than a year in their organizations. One hundred and thirty four (134) representing (39.9%) have spent from one to five (1-5) years. A total of one hundred and twenty four (124) respondents, representing (36.9%) have spent over five (5) years in their organizations. This implies that the larger part of the respondents have spent over a year and some, over five years in the organizations. Hence, responses are from experienced employees and employers.

Table 3. Demographic Distribution of the respondents based on staff category

OPTIONS	NUMBER	PERCENTAGE %
Management Staff	46	13.7
Senior Staff	178	53
Junior Staff	112	33.3
Total	**336**	**100**

Source: Researcher's survey

Table 3. describes the staff category of the respondents. Out of the total number of three hundred and thirty six (336), forty six (46) respondents, representing (13%) were management staff. One hundred and seventy eight (178) respondents, making up (53%) were senior staff. The junior staff among the respondents were up to one hundred and twelve, which constituted (33.3%) of the entire sampled respondents. This implies that the responses come largely from the senior staff in the various organizations.

4. Responses as regards to Risk Review

ITEMS	SA	SA%	A	A%	U	U%	D	D%	SD	SD%	
The organization has set up strong measures to review risk and performance	37	11.0	89	26.5	65	19.3	78	23.2	67	19.9	336
Your organization pursuits improvement in enterprise risk management	89	26.5	133	39.6	12	3.6	66	19.6	36	10.7	336

Your organization assesses substantial changes	54	16.1	73	21.7	99	29.5	67	19.9	43	12.8	336
The organization reviews their risk policies and strategies to fit the current status of risk	87	25.9	109	32.4	51	15.2	57	17.0	32	9.5	336

Source: Researcher's survey

Table 4. presents responses as regards to questions on the concept of risk review. Responses were graded based on the respondents' opinion on each question as to whether they strongly agree (SA), agree (A), undecided (U), disagree (D) or strongly disagree (SD).

On the question of whether the organization has set up strong measures to review risk and performance; thirty seven (37) out of a total of three hundred and thirty six (336) respondents strongly agreed, representing (11.0%). Eighty nine (89), representing (26.5) agreed while sixty five (65) which represented (19.3%) were undecided. Seventy eight (78), making up (23.2%) of the entire respondents disagreed, and sixty seven (67), that is (19.9%) strongly disagreed that the organization has set up strong measures to review risk and performance. This shows that the larger percentage of the respondents disagreed or strongly disagreed that the organization has set up strong measures to review risk and performance.

The second question summarized respondents' opinion on whether their organization pursue improvement in enterprise risk management. Eighty nine (89) respondents, representing (26.5%) of the entire respondents strongly agreed and one hundred and thirty three (133), representing (39.6%) of the entire respondents agreed. Twelve (12) respondents, making up (3.6%) of the respondents were undecided. Sixty six (66) respondents, that is; (19.6%) disagreed and thirty six (36) representing (10.7%) of the entire respondents strongly disagreed. This implies that more of the responses were in favor of agreed and strongly agree on the question regarding whether their organization pursue improvement in enterprise risk management.

The third question enquired respondents' opinion on the level to which their organization assesses substantial changes. Fifty four (54) respondents, making up (16.1%) of the total respondents strongly agreed and seventy three (73), making up (21.7%) of the entire respondents agreed. Ninety nine (99) of them were undecided, making up (29.5%) of the respondents. Sixty seven (67) of the respondents disagreed, making up (19.9%), while forty three (43) respondents, representing (12.8%) of the respondents strongly disagreed. This suggests that there is a high response as regards to agreed and strongly agreed. Also, a large number of respondents were undecided.

The last question in table 4. enquired respondents opinion on the level to which they believe their organization reviews their risk policies and strategies to fit the current status of risk. Eighty seven (87) respondents, making up (25.9%) of the entire respondents strongly agreed, while one hundred and nine (109) respondents, making up (32.4%) agreed. Fifty one (51) respondents accumulating to (15.2%) were undecided. Fifty seven (57) of the respondents, making (17.0%) disagreed, while thirty two (32) of the respondents, making up (9.5%) strongly disagreed. This suggests that more of the respondents either agreed or strongly agreed that their organization reviews their risk policies and strategies to fit the current status of risk.

Test of hypothesis

Table 5 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.691[a]	.682	.682	.17025

a. Dependent Variable: PFM

b. Predictors: (Constant), RRE

Table 6. Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.229	.032		.917	.360
RRE	.317	.083	.319	3.828	.000

a. Dependent Variable: PFM

The result, as shown in tables 5 and table 6, revealed an r-square value of 0.682 which implied that, 68.2% of the variation in performance (PFM) could be explained by risk culture (RRE), while the remaining 32.8% variation could be explained by other factors not included in this study. The table further shows an F-statistics of 4572.575 which indicates that the set of independent variables were as a whole contributing to the variance in the dependent variable and that there exist a statistically significant relationship at 0.000 (0%) between performance and the set of predictor variables indicating that the overall equation is significant at 0% which is below 5% level of significance. The results of the model summary revealed that, other factors other than employee commitment also contribute high to the variation in organizational performance.

Ho$_1$: Risk Review and revision has no effect on the performance of manufacturing companies in North-Central Nigeria.

The regression line PFM = 0. 229 + 0. 317RRE indicates that a unit increase or change in risk review (RRE) will lead to a 0. 317 increase in performance (PFM) significantly. The result indicated that, risk review has positive and significant effect on the performance of selected manufacturing companies in North-central Nigeria. The decision was reached based on the t-value and p-value of (p = 0.000, t-value = 3.828). Thus, this implies a rejection of the null hypothesis which stated that, risk review has no significant effect on the performance of selected manufacturing companies in North-central Nigeria.

Discussion of Findings

Risk review and performance

Findings from the study revealed that risk review has positive and significant effect on the performance of selected manufacturing companies in North-central Nigeria. This means that an increase in the organization's risk review will lead to an increase in its performance. Hence, setting up strong measures to review risk and performance of risk mitigating factors; pursuing improvement in enterprise risk management in the organization by updating the various components; assessing substantial changes in the organization as a result of risk assessment and reviewing risk policies and strategies to fit in the current status of risk management, are aspects of risk review that can affect performance.

This finding is in line with that of (Pistone 2019; Receeba 2020), who also found in their studies, that risk review has a significant and positive effect on the performance of organizations.

Conclusion

Based on the findings of the research, the study hence, concludes the following;
Risk review has positive and significant effect on the performance of selected manufacturing companies in North-central Nigeria. This concludes that an increase in the organization's risk review will lead to an increase in its performance. Hence, setting up strong measures to review risk and performance of risk mitigating factors; pursuing improvement in enterprise risk management in the organization by updating the various components; assessing substantial changes in the organization as a result of risk assessment and reviewing risk policies and strategies to fit in the current status of risk management, are aspects of risk review that can affect performance.
Manufacturing companies in north central Nigeria should review their risks and the strategies they set up to mitigate the risks against the set performance. The business environment is dynamic and ever changing, so also the risks it faces. It is important that these organizations setup policies that review these risks in order to find new or improved ways of handling the enterprise risks. Organizations should also review the various risk strategies they have set up to see if they are performing as expected. Hence, the study recommends that; setting up strong measures to review risk and performance of risk mitigating factors, pursuing improvement in enterprise risk management in the organization by updating the various components, assessing substantial changes in the organization as a result of risk assessment and reviewing risk policies and strategies to fit in the current status of risk management should be a common practice to the organizations.

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